ARE YOU A NON-UK RESIDENT UK PROPERTY OWNER?

APRIL 2019

A number of significant changes are proposed to the taxation of UK property held by non-UK resident owners. These changes are being introduced as part of the Finance Act 2019 which will come into effect in April 2019.

Since 2015, Capital Gains Tax (CGT) is chargeable when a non-UK resident disposes of UK residential property. With regard to commercial property, non-UK resident owners of UK commercial property are currently exempt from UK tax on disposal, but are charged Income Tax on rental income.

From 6 April 2019, non-UK residents will be subject to CGT on all UK property gains (residential and commercial). Non-residents are defined as individuals, trusts or closely held companies.

The example below details the proposed changes to Capital Gains Tax rates for residential and commercial property held by an individual:

CURRENT	FROM APRIL 2019
Residential – 18% or 28%	Residential – 18% or 28% (no change)
Commercial – Exempt	Commercial – 10% or 20%

HOW DOES THIS AFFECT YOU?

As part of these proposed changes, a non-UK resident owner can choose to do one of the following;

1. Re-base the market value of their UK assets as at 5th April 2019 or
2. Elect to use the original acquisition cost of the asset

Depending on the date of purchase, it may be in your interest to have a valuation carried out as at 5th April 2019.

HOW WE CAN HELP

SHW is an RICS regulated firm with 8 offices and 19 Registered Valuers. We are specialists in the valuation of residential and commercial properties in London, the Home Counties, South Coast and generally in the South East of England.

To avoid potential valuation uncertainty and enable tax planning, it may be beneficial to obtain a "point-in-time" valuation, should you need to rely on it when disposing of your asset in future.

Contact us now for a competitive quote!
Tel: +44 (0)207 389 1500 or www.shw.co.uk



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